



Shrewsbury Public Schools

Patrick C. Collins, Assistant Superintendent for Finance & Operations

8 June 2022

To: School Committee

Subj: FY2022 FINAL BUDGET STATUS UPDATE

Overview

Attached you will find the FY22 Budget Status Update. It is a recap of our \$75,722,168 district appropriated budget as approved by Town Meeting. You will recall that this plan provided for an 11.36% increase over FY21 in connection with the Override Agreement between the Board of Selectmen and School Committee. The larger than normal FY22 increase is attributed also the opening of the new Major Howard W. Beal School and the associated plan to provide tuition-free full-day kindergarten to all incoming students.

The enclosed report retains the reporting format started in FY16 which expands the reportable categories from 11 to 19 while remaining a high-level, one-page summary. For context it is important to note that reported expenditures and encumbrances are as of 6/7/2022 which is approximately 94% of the way through our fiscal year and 96% into the school year.

We will fully expend our FY22 General Fund [Town Meeting] Appropriation as projected in the attached summary.

Covid Funding

As you know, the District, like all other school districts, received significant federal and state Covid Relief Funding via grants. In FY22 we exhausted our ESSER-1 funding and partially used ESSER-2 and ESSER-3 funds. The Massachusetts Department of Elementary and Secondary Education funded our weekly surveillance testing and also funded the at-home antigen testing program that rolled out in early January 2022.

General Fund [Town Meeting] Appropriated Budget

Detailed on the following page is more information on any category of our budget with a variance of 10% or greater, either due to evolving conditions or intentional reallocation within bottom-line budget controls.

In general, many categories experienced wider than normal variation from budget. Some of the variance can be attributed to unanticipated ongoing Covid-related impacts while another major factor was the fact that we budgeted for 35 grade 9 students to attend Assabet Valley Regional Technical High School while only 12 were admitted. Some impacts created categorical deficits while other categories experienced significant "surpluses".

Category	Description	Projected Variance Percent	Notes: Includes some major examples of reason for over/under budget variances
A5	Substitutes: Daily, Long-term, and Nurses	35.1 % Over	Due to Covid we experienced a significant increase in daily substitutes along with the necessity to raise our rate from \$90 to \$100/day to remain competitive and attract and retain substitutes.
A7	Employee Benefits	30.3% Under	We will reimburse significantly less dollars on staff tuition reimbursement than budgeted and payout less in retiree sick leave benefits than projected in the original budget.
B2	Special Education Transportation	11.0% Under	With fewer out-placed students, we experienced decreased out of district transportation costs.
C1	Special Education Tuitions	30.8% Under	Part of the “Covid effect” was that some high school age students who would have stayed in an 18-22 year old program left us “early”. It was also very difficult to get new students placed with some not going and others delayed enrollment. These situations reduced our costs.
C2	Vocational Tuitions	17.4% Under	With the admissions shift favoring students from member districts for incoming grade 9 students, we had many fewer grade 9 students enroll than budgeted.
D1	Administrative Contract Services	42.0% Over	Overages for job advertising, legal services, security equipment installs and radio repairs, and athletic officials [due to low gate receipts].
D2	Educational Contract Services	12.5% Under	Decrease special education contract services to students.
D3	Textbooks/Curriculum Materials/Inst. Equipment	198.8% Over	Additional investments needed for media center collections, textbooks, digital subscriptions for curriculum.
D5	Educational Supplies and Materials	129.0% Over	Early purchase of grade 5 and grade 9 iPads due to ordering lead time requirements, classroom short-throw projectors for SHS and Oak Middle, new reading materials for special education programs and Summer SPED program, Oak athletic equipment
D6	Other Miscellaneous	30.8% Over	Additional video surveillance cameras at all schools, moving stipends for elementary staff redistricting/opening Beal, SHS track hurdles
D8	Utilities-Telephone	25.6% Under	Less than expected hardware expenses

Circuit Breaker Fund

We began FY22 with a fund balance of \$2,529,420 on account and not committed for use in the FY23 budget. Also, in FY22 we deliberately ended the year with a strong balance so as to provide greater mid-year budget stability and resiliency in future fiscal year budget cycles to shield us from unexpected out of district placements occur, for example.

Many districts have taken the approach to retain up to one-year of Circuit Breaker funding on account [the MA DESE maximum allowed] so as to achieve the aforementioned financial goal and reduce budgetary risk and volatility. With this year's projected results, I would project that our district will have approximately \$3.1M on account or 97.7% of the maximum allowed. Please see the FY22 recap analysis below.

FY22 Start of Year Balance	\$ 2,529,420
FY22 Circuit Breaker Reimbursement	\$ 3,217,420
Subtotal Available	\$ 5,746,840
Revised Planned FY22 Use	\$ (2,604,420)
FY22 Year End Projection	\$ 3,142,420
Year End Balance as Percent of FY22 Allocation	97.7%
Maximum Account Balance Allowed	\$ 3,217,420
Difference [Under Maximum]	\$ 75,000

Recommendation

Finally, it is recommended [using the Motion below] that the committee vote to authorize budget transfers between accounts to bring each account to \$0 at year end.

Motion: I move that the committee authorize the administration to make budget transfers from the original budget plan as necessary to eliminate deficits and surpluses with the intent of fully expending the total FY22 appropriation by June 30, 2022 and balancing all accounts.

SHREWSBURY PUBLIC SCHOOLS
FY22 BUDGET STATUS- as of 6/7/2022

School Committee Recap Sheet	Description	FY22 Budget	YTD Actual	Encumbrance	Remaining Balance	Year End Projection	Dollar Variance	Percent Variance
A1	Administrative Central Office, Principals & Unit B	\$ 3,636,115	\$ 3,461,772	\$ 150,847	\$ 23,496	\$ 3,655,482	\$ (19,367)	-0.5%
A2	Unit A (Teachers & Nurses)	\$ 45,566,510	\$ 36,914,469	\$ 8,784,081	\$ (132,040)	\$ 45,698,550	\$ (132,040)	-0.3%
A3	Aides/ABA/Paraprofessionals	\$ 7,751,409	\$ 6,656,056	\$ 581,882	\$ 513,471	\$ 7,302,938	\$ 448,471	5.8%
A4	Secretaries, Technology & Other Non-Represented	\$ 2,711,981	\$ 2,466,554	\$ 318,955	\$ (73,528)	\$ 2,809,479	\$ (97,498)	-3.6%
A5	Substitutes - Daily, Long Term & Sub Nurses	\$ 900,900	\$ 1,056,165	\$ 2,520	\$ (157,785)	\$ 1,216,685	\$ (315,785)	-35.1%
A6	Other Wages (See Note 1)	\$ 861,780	\$ 826,028	\$ -	\$ 35,752	\$ 864,628	\$ (2,848)	-0.3%
A7	Employee Benefits	\$ 412,250	\$ 114,347	\$ -	\$ 297,903	\$ 287,275	\$ 124,975	30.3%
B1	Regular Education & Voke Transportation	\$ 3,013,769	\$ 2,966,424	\$ 73,685	\$ (26,341)	\$ 3,046,139	\$ (32,370)	-1.1%
B2	Special Education Transportation	\$ 1,303,210	\$ 1,045,719	\$ 114,058	\$ 143,433	\$ 1,159,777	\$ 143,433	11.0%
C1	Net Special Education Tuitions (See Note 2)	\$ 4,103,811	\$ 2,275,743	\$ 564,113	\$ 1,263,954	\$ 2,839,857	\$ 1,263,954	30.8%
C2	Vocational Tuitions	\$ 2,070,435	\$ 1,709,858	\$ -	\$ 360,577	\$ 1,709,858	\$ 360,577	17.4%
D1	Administrative Contracted Services	\$ 610,278	\$ 728,459	\$ 138,151	\$ (256,332)	\$ 866,610	\$ (256,332)	-42.0%
D2	Educational Contracted Services	\$ 657,510	\$ 451,695	\$ 123,871	\$ 81,945	\$ 575,565	\$ 81,945	12.5%
D3	Textbooks/Curriculum Materials	\$ 181,304	\$ 438,114	\$ 101,023	\$ (357,833)	\$ 541,717	\$ (360,413)	-198.8%
D4	Professional Development	\$ 165,143	\$ 158,773	\$ 3,624	\$ 2,746	\$ 162,397	\$ 2,746	1.7%
D5	Educational Supplies & Materials	\$ 270,109	\$ 232,034	\$ 386,445	\$ (348,371)	\$ 618,480	\$ (348,371)	-129.0%
D6	Other Miscellaneous (i.e. Off. Supp., Ref. Mat.)	\$ 846,975	\$ 831,721	\$ 275,799	\$ (260,545)	\$ 1,107,520	\$ (260,545)	-30.8%
D7	Equipment	\$ 613,679	\$ 1,085,138	\$ 140,589	\$ (612,047)	\$ 1,225,726	\$ (612,047)	-99.7%
D8	Utilities - Telephone Exp.	\$ 45,000	\$ 24,174	\$ 9,312	\$ 11,515	\$ 33,485	\$ 11,515	25.6%
Total Budget:		\$ 75,722,168	\$ 63,443,245	\$ 11,768,953	\$ 509,970	\$ 75,722,168	\$ -	0.0%

Please refer to accompanying written report providing details on the categorical variances projected.